REMARKS

Applicants reply to the Office Action mailed on April 27, 2007 within the shortened statutory three month period for reply. Claims 1-3, 5-9, 11-14, and 16 were pending in the application and the Examiner rejects claims 1-3, 5-9, 11-14, and 16. Support for the amendments may be found in the originally-filed specification, claims, and figures. No new matter has been introduced by these amendments. Reconsideration of this application is respectfully requested.

Rejection under 35 U.S.C. § 103(a)

The Examiner rejects claims 1-3, 5-9, 11-14, and 16 under 35 U.S.C. § 103(a) as being unpatentable over Lawlor et al., U.S. Patent Publication No. 2002/0038289 ("Lawlor") in view of Sanders et al., U.S. Patent Publication No. 2003/0158811 ("Sanders"). Applicants respectfully traverse this rejection.

Lawlor generally discloses a home banking and bill-pay system using a specialized terminal that is placed in a home. Specifically, the Lawlor system enables bank account holders to interact with a main banking server by way of a standard Point of Sale (POS) or Automated Teller Machine (ATM) network. The Lawler system is disclosed with the pretext that many bank account holders either do not have access to a personal computer or are not prone to use a personal computer in order to participate in online banking. Thus, Lawlor attempts to overcome these problems by providing a dedicated, in-home, ATM-like terminal that is user friendly.

Lawler further discloses that the terminal enables users to pay bills without writing and mailing checks, obtaining account balances, and conducting funds transfer between accounts. However, Applicants note that in disclosing the funds transfer process, Lawler facilitates this process through a Point of Sale (POS) debit to a first account, and a POS credit to a second account. Those skilled in the art would immediately appreciate the distinguishing features of a POS network; namely that it is a private network. A private network is generally defined as a network that can be connected to the Internet; yet, is further isolated from the Internet. In other words, a private network may utilize the infrastructure of the Internet to facilitate private communications between parties. However, traffic over such private network is confined to the private network and traffic outside of the private network is unable to obtain entrance into the private network. While both utilize the Internet, a distinction between a private network and the World Wide Web (WWW) must be drawn; one is exclusive and the other is inclusive.

Lawlor specifically teaches against "PC-based home banking" utilizing the World Wide Web. For example, Lawlor discloses that, "PC-Based home banking is not yet a practical reality for most consumers" (paragraph 0010). In support of this assertion, Lawlor discloses that, "the dream of a <u>world-wide network</u> of home computers providing a vast array of electronic services to a majority of the inhabitants of industrialized nations has simply not been realized" (paragraph 0005, emphasis added). **In other words, Lawlor teaches away from the use of a personal computer to access an online web interface, so Applicants assert that it would be improper to combine Lawlor with a web interface system.**

Sanders generally discloses a rules based electronic funds transfer system. Specifically, the Sanders system includes a number of rules defining how funds transfer transactions events should be handled. For example, a rule may be configured in such a way as to generate an email notification to be delivered to an account holder should a non-sufficient funds event occur. A user can interact with the Sanders system to define the rules, view transaction histories, and setup one or more future funds transfer transactions.

To setup a funds transfer, a user interacts with the Sanders system via an interface to enter a number of required fields. Such fields include, for example, payable to, amount, bank name, description, transaction type, account type, routing number, and account number. Moreover, the user can define whether the funds transfer is a one-time or reoccurring transaction. The Sanders system then automates the process of performing the funds transfer according to the user defined rules, as well as the payer and payee information provided by the user. However, the level of automation disclosed by Sanders is limiting in that it requires the user to configure the transfer in accordance with what is known beforehand. For example, the user may setup a reoccurring auto payment to enable the Sanders system to automatically invoke a funds transfer from the user's checking account to a finance company every 18th day of the month. This is effective in such situations where the user has advance knowledge regarding a transfer amount and transfer date. Sanders would not be effective in situations where the user may not know about an account deficiency until after the deficiency occurs. For example, the user may establish an automated brokerage account and transfer $2,000 into that account to be applied toward the purchase of stocks. Within an automated brokerage environment, the user may configure the system such that when a particular stock reaches a determined price, the system automatically places a buy transaction for a defined number of stocks. As such, it is possible for the funding of the investment account to become depleted unless the account holder is

continuously vigilant. As a result, the account holder may miss investment opportunities or incur fees and fines for not having a sufficient balance.
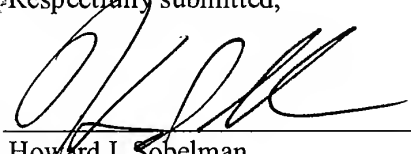
Both Lawlor and Sanders disclose systems for performing ACH transaction based on instructions from an account holder. Lawlor discloses an older and well known method of performing charge transactions at a POS; however, unlike conventional POS transactions, the POS device is located within the account holder's home or business. Sanders discloses the use of an interface to a server that enables an account holder to configure funds transfers from a first account to a second account. However, neither of the references contemplates facilitating a funds transfer based on a condition or activity of the receiving account. As such, neither Lawlor, Sanders, nor any combination thereof, disclose or suggest at least a, "executing an authorized ACH transaction based on the ACH transaction parameters, wherein the authorized ACH transaction debits a first account and credits a second account and, wherein the authorized ACH transaction is invoked by a condition associated with the second account," (emphasis added) as similarly recited by independent claims 1, 7, and 13.

Claims 2, 3, 5, 8, 9, 11, 14, and 16 variously depend from independent claims 1, 7, and 13. Applicant asserts that claims 2, 3, 5, 8, 9, 11, 14, and 16 are differentiated from the cited reference for at least the same reasons set forth above, as well as in view of their own respective features.

Applicants respectfully submit that the pending claims are in condition for allowance. No new matter is added in this Reply. The Commissioner is hereby authorized to charge any fees which may be required, or credit any overpayment, to Deposit Account No. **19-2814**. Applicants invite the Examiner to telephone the undersigned, if the Examiner has any questions regarding this Reply or the present application in general.

Respectfully submitted,

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